



# Verification

**Going in a New Direction**

**SY 2005-2006**

# What is Error-Prone?

- **The definition of “error-prone” is:**
  - income applications that are within the \$100 per month range of eligibility or \$1200 annually.

# What is Non-Response Rate?

**The percentage of approved household applications selected for verification for which verification has not been obtained by the LEA.**



# The New Direction of Verification - Effective 7/1/05

- New Sample Size
  - 3% of all “error-prone” applications or 3,000 “error-prone applications.

# The New Direction of Verification - Effective 7/1/05

- To be able to use the Alternate Sample Sizes a LEA must have:
  - (1) a Non-Response Rate from preceding SY of  $> 20\%$ .
  - (2)  $<20,000$  children approved by application (excluding DC) by 10/1:
    - Non-Response Rate from preceding year is less than 10% below the verification non-response rate for the second preceding SY; or

# The New Direction of Verification - Effective 7/1/05

*(2) continued*

- For SY 2005-2006 only,
  - Attempt to verify all approved applications selected for verification through the use of public agency records from at least two of the following:
    - » Food Stamp Program
    - » Food Distribution Program on Indian Reservations (FDPIR)
    - » Temporary Assistance for Needy Families (TANF), KTAP in Kentucky
    - » the State Medicaid Program, and
    - » similar income-tested programs, or
    - » Other sources of information, as determined by USDA.



# The New Direction of Verification - Effective 7/1/05

- Alternative Sample Size
  - 3% of all approved applications or 3,000 approved applications selected at random or
  - The lesser of 1% of all applications selected from “error-prone” applications or 1,000 “error-prone” applications, plus the lesser of  $\frac{1}{2}$  of 1% or, or 500, approved applications that provided a case number (in lieu of income information) showing participation in FS, TANF (KTAP) or FDPIR.

***These criteria are the same options established in current regulations***

# The New Direction of Verification - Effective 7/1/05

- In cases where there aren't enough error-prone applications – LEAs **must** select additional applications to fulfill the percentage or number requirement.



# New Dates of Completion

- The determination date for the sample size has been moved from October 31, to **October 1.**
- The deadline for completion of verification has been moved from December 15, to **November 15.**
  - States may extend this deadline to December 15, under criteria set by the Secretary.
  - It also requires LEAs to make appropriate modifications to eligibility determinations based on their verification activity.

# Impact on SY 2004-2005

- LEAs can significantly reduce their verification burden for SY 2005-2006 by qualifying for the alternative sample size.
  - LEAs should be made aware that SY 2005-2006 verification workload is dependent on the non-response rate they achieve in SY 2004-2005.
  - Any LEA with a non-response rate of 20% in SY 2004-2005 qualifies for the alternate sample size in SY 2005-2006.
  - Large LEAs can also qualify if they improve from the SY 2003-2004 non-response rate by 10% this SY.



# New Processes in Verification

- Effective July 2005, LEAs will have the alternate sample size options if they qualify.
- Be required to conduct second party confirmation of eligibility of all applications prior to performing any verification.
  - This requirement must be waived if the LEA is using a “technology-based solution” that demonstrates a high level of accuracy in processing initial eligibility determinations.



# New Processes in Verification

- If initial determination is found to be incorrect, the LEA must:
  - Correct the household's eligibility status,
  - Notify the household of the change, and
  - If the review indicates the household is not eligible for either free or reduced-price meals, notify the household of the reason and that the household may reapply with income documentation.
- If a preliminary review indicates that a household is eligible, the LEA must proceed to verify the application

# New Processes in Verification

- Direct Verification (DV)
  - Obtain and use income and program participation from public agencies administering certain programs to extent they have comparable income eligibility limits. These programs are:
    - Food Stamps
    - FDPIR
    - TANF (KTAP)
    - State Medicaid, or
    - Similar income-tested programs as determined by the Secretary.

*(In order to facilities “DV” through the Medicaid program, this section amends the Medicaid law to allow States to exchange information necessary to verify eligibility for F/RP school meals.)*



# New Processes in Verification

- HH Verification “Follow-Up” Activities
  - If a HH application is not verified through DV, LEAs are required to provide the HH a written notice that its application has been selected for verification and required to submit information to confirm eligibility for F/RP meals.
    - The notice is to include a toll-free or local number that parents and legal guardians may use for assistance in the verification process.



# New Processes in Verification

- If the HH doesn't respond to verification request, the LEA is required to make at least one (1) additional attempt to obtain the necessary verification from the HH.
- LEAs can also contract with a third party to assist the agency in carrying out “follow-up” activities to make additional attempts to obtain necessary verification.

# New Processes in Verification

- Changing the Verification Sample
  - Sample Selection criteria and the November 15 verification activity deadline, in case of a natural disaster, civil disorder, strike, or other local conditions can be changed by the Secretary.
  - On an individual case review, it also allows LEAs to 'decline' to verify up to 5% of their verification sample and replace the declined applications with other approved applications.



# The New Direction of Verification

